STANDARD PROCUREMENT SYSTEM (SPS)

DLA ACAT IAM Program

Total Number of Systems:	1040 sites (42,000 users)
Total Program Cost (TY$):	$326M
Average Unit Cost (TY$):	$313K/site
Full-rate production:	2QFY02

Prime Contractor

American Management System, Inc.

SYSTEM DESCRIPTION & CONTRIBUTION TO JOINT VISION 2010

The Standard Procurement System (SPS) will improve the speed and effectiveness of contract placement and contract administration functions. It will interact more effectively with other DoD activities and with industry, and improve visibility of contract deliverables while maintaining DoD readiness with reduced resources. SPS will comprise components at multiple levels, including mainframe processing at the DISA MegaCenters, mini-computers at the intermediate level, and local area network-based workstations at the user level. Software will consist of selected operating systems, network operating systems, client-server software, distributed systems software, and American Management System's commercial-derivative software.

SPS was designated the Corporate Information Management initiative for the functional area of procurement. Each Service and Agency will provide the underlying infrastructure to host the SPS software. Although SPS accommodates electronic commerce/electronic data interchange transactions, each Service and Agency must provide SPS the access to electronic commerce/electronic data

interchange gateways. SPS supports the ***Joint Vision 2010*** operational concept of ***focused logistics*** by enabling Defense agencies to work more effectively with the civilian sector in procurement activities.

BACKGROUND INFORMATION

The SPS acquisition strategy is based on procuring and enhancing American Management System's "Procurement Desktop–Defense" software. SPS Increment 1 software offers basic system functionality and was fielded to limited Defense Logistics Agency and Navy sites after completing IOT&E in 3QFY97.

SPS Increment 2 software builds upon the functionality provided in Increment 1 and was operationally tested in 4QFY97. In October 1997, the Joint Interoperability Test Command (JITC) completed the Increment 2 OT&E, in accordance with a TEMP approved by DOT&E in July 1997. Test results showed 35 system deficiencies associated with open priority 2 trouble reports. These deficiencies had major impact to operations. After a series of additional OT activities, during which the SPS Program Management Office (PMO) addressed the outstanding priority 2 trouble reports to the satisfaction of DOT&E, JITC completed its evaluation. JITC concluded that non-automated and semi-automated procurement offices currently using or scheduled to receive Increment 1 software would benefit by the increased functionality in Increment 2. DOT&E concurred with the JITC assessment. Increment 2 software was retrofitted at sites with Increment 1, and was installed at additional selected Defense Logistics Agency and Navy sites.

From May-June 1998, JITC conducted OT at two Army and two Navy sites on a portion of the Increment 3 software functionality (not yet including the external system interfaces) in accordance with an OTP approved by DOT&E in May 1998. Based on the user-validated requirements in the ORD, JITC found that Increment 3 software was operationally effective and suitable for only a small number of contracting offices that had no or minimal prior automated procurement support. Due to the significant number of system deficiencies, inaccuracies, and incomplete functionalities that prevented users from accomplishing their procurement mission, JITC determined that Increment 3 software was neither operationally effective nor suitable for procurement offices fully supported by legacy procurement systems.

DOT&E concluded that SPS Increment 3 software was not operationally effective. While users at the four OT sites were able to complete most of the simplified acquisition procedures using the Increment 3 software, significant shortfalls existed for performing functions associated with large procurement contracts. DOT&E also concluded that SPS Increment 3 software was not operationally suitable. Security deficiencies allowed unauthorized users to access and alter solicitation and contract documents. User and system administration training was inadequate. In addition, more than a hundred deficiencies of major or moderate operational impact were identified. DOT&E recommended that the PMO take immediate actions to correct these deficiencies prior to full fielding.

TEST & EVALUATION ACTIVITY

Since the completion of Increment 3 OT&E, testing activities have been focused on conducting operational assessments on Increment 3 follow-on releases to verify corrections of deficiencies and to assess enhanced capabilities. In November and December 1998, JITC observed Service verification activities on an enhanced version of SPS Increment 3. It was reported that the Services were diligently

documenting workarounds and changes to their current business processes to accommodate the operational use of SPS.

In March 1999, JITC conducted an OA on an Increment 3 follow-on release (version 4.1) to verify corrections of known system deficiencies and identify any improvements or degradation of system capabilities relative to earlier versions. The OA was conducted at the Defense Information Technology Contracting Office, Scott AFB, IL.

TEST & EVALUATION ASSESSMENT

The results of the OA were mixed. Of the previously identified 59 deficiencies with major operational impact, users confirmed that 19 were fixed, 3 were partially fixed, 24 were not fixed, and the remaining 13 had undetermined status. Of the previously identified 76 deficiencies with moderate operational impact, users confirmed that 18 were fixed, 6 were partially fixed, 39 were not fixed, and the remaining 13 had undetermined status. Further, results indicated that new deficiencies were found—six with major operational impact and 13 with moderate operational impact. Deficiencies were categorized as undetermined if they could have been caused by poor training or inadequate help desk support or they could not be replicated or were not associated with functions used at the Defense Information Technology Contracting Office. Despite the mixed test results, users noted that system functionality had improved in comparison with the previous versions. Furthermore, improvements were also noted in the user manuals, user interface, and system response times.

To continue the verification of corrected deficiencies and improved capabilities, two additional OAs are scheduled in 3QFY00 and 2QFY01, respectively. In addition, a full OT&E is planned for SPS Increment 4, the Full Operational Capability system, in 1QFY02. Increment 4 is intended to provide full functionality to support major weapons system contracts, including external interfaces to all legacy procurement systems and electronic commerce/electronic data interchange capabilities.

CONCLUSIONS, RECOMMENDATIONS, LESSONS LEARNED

The SPS PMO must continue to focus on correcting deficiencies identified during previous operational tests. Since the utility of the interfaces will only be as good as the software functionality that supports them, external system interface testing should be postponed until the functionality deficiencies identified have been fixed and verified as corrected. Y2K issues should be addressed continuously during DT of external system interfaces and remaining functionality to be incorporated into Increment 3 and Increment 4 software.

To ensure that formal OT of Increment 4 truly tests the ability of SPS to support the operational mission of procurement offices, robust DT and system acceptance testing must be completed. Furthermore, the user communities and SPS PMO must be fully supportive of JITC's efforts to develop a sound and comprehensive operational test plan.